

PLACER LAFCO

Presentation to the
Incorporate Olympic Valley
Community Meeting
August 5, 2014



What is LAFCO?

Local Agency Formation Commission

- Creates new cities and special districts
- Changes boundaries and spheres
- Changes authorize services
- Performs Municipal Service Reviews
- Establishes Spheres of Influence
- Reorganizes local agencies



LAFCO's Purposes

- Encourage orderly boundaries and discourage urban sprawl
- Conserve Agriculture and Open Space
- Promotes efficient public services
- Consider regional housing needs, adequate water and other essential issues in consideration of proposals



Why LAFCO?

- Post World War II populations and housing boom in California
- Street car suburbs; scramble to finance and extend services
- City annexation “wars;” proliferation of limited purpose special districts
- Confusion with multiple local governments
- 1963 Knox Nesbitt Act

LAFCO Organization

- Each County in California has a LAFCO
- LAFCO is independent from the County
- No statewide Commission or agency
- No state funding
- Placer LAFCO is funded 1/3 by the County, 1/3 by the Cities, and 1/3 by the Special Districts
- Not all LAFCO's have Special Districts on the Commission, about 50%

LAFCO composition

- 2 County supervisors (selected by Board of Supervisors)
 - 2 City Officials (selected by City selection Committee)
 - 2 Special District Representatives (vote of special Districts)
 - 1 Public member (selected by the other six members of the Commission)
 - 1 alternate for each of the above categories
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- Members represent the interests of the public as a whole

Commission members

County Members:

- Robert Weygandt
- Jim Holmes
- Jack Duran (alt)

Special District Members:

- Gray Allen
- Ron Treabess
- Brian Sheehan (alt)

City Members:

- Miguel Ucovich
- Bill Kirby
- Stan Nader (alt)

Public Member:

- E. Howard Rudd
- Jim Gray (alt)

LAFCO's are Independent

- Provides own quarters, equipment, personnel
- Appoints an Executive Officer
- Appoints a Legal Counsel
- Commissioners make final decisions
- LAFCO decisions cannot be appealed to other administrative bodies
- Executive Officer is solely accountable to the Commission and the law

LAFCO's are independent

- LAFCO may adopt local policies to appropriately administer the Cortese Knox Hertzberg Act
- Is quasi-legislative; limited legal challenge to decisions
- Courts have supported LAFCO authority “Engaged in the pursuit of an overriding State purpose”
- Is the Legislature’s “watch dog” on local governments
- State laws

Incorporation

- Area proposed for incorporation must include a minimum of 500 registered voters.
- Initiated by either:
 - Petition signed by registered voters – 25%
 - Petition signed by landowners owning at least 25% of the assessed value of land
 - Legislative body of an affected agency can adopt a resolution of application

Petitions reviewed by Elections.

**PLACER COUNTY
LOCAL AGENCY FORMATION COMMISSION**

Donna Barkle (City); Gray Allen (Special Districts); Robert Weygandt, Vice-Chair (County);
E. Howard Rudd, Chair (Public); Ron Treabess, (Special Districts); Jim Holmes (County); Miguel Ucovich (City),
145 Fulweiler Avenue, Suite 110, Auburn California 95603 Phone: 530-889-4097
Email: lafo@placer.ca.gov

CERTIFICATE OF SUFFICIENCY – REGISTERED VOTER PETITION
Placer Local Agency Formation Commission

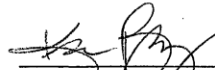
The undersigned certifies as follows:

I am the duly appointed Executive Officer for the Placer Local Agency Formation Commission. The petition entitled: "Petition for the Incorporation of the Town of Olympic Valley" was filed with me on August 20, 2013.

The petition is signed by registered voters and, pursuant to Government Code Section 56707, I have cause to be compared, the names of signers on the petition against the voter register in the Office of the Registrar of Voters of this County. The results of the examination are as follows:

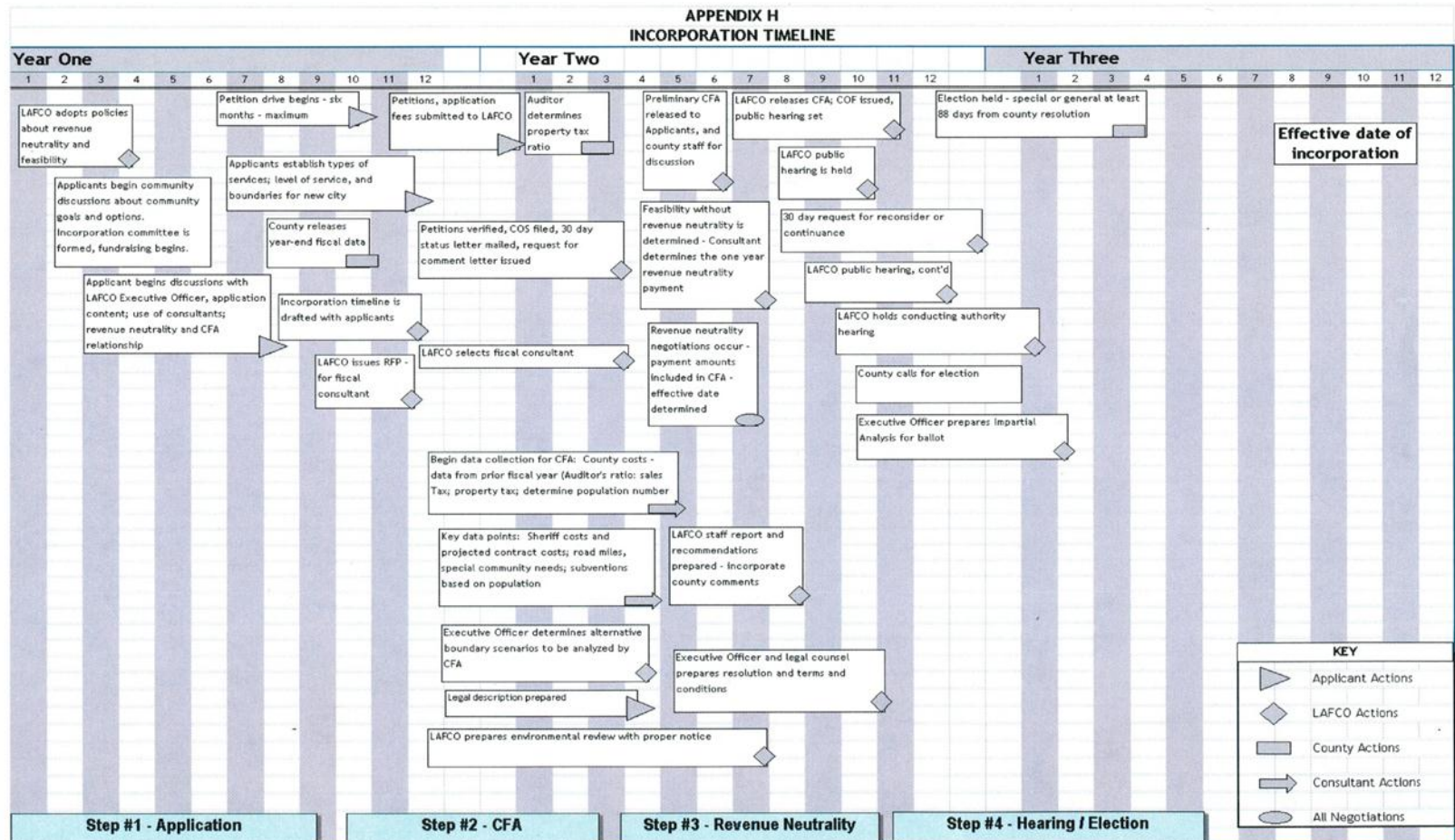
1. All signatures were secured within six months of the date on which the first signature was affixed.
2. A sufficient petition must include signatures from a minimum of twenty-five percent of the registered voters within the proposed boundaries of the Town of Olympic Valley. The Registrar of Voters determined that there are 564 registered voters within the proposed boundaries of the Town of Olympic Valley as of the Registrar of Voter's last official report of voter registration to the Secretary of State's Office. The petition includes 168 valid signatures.
3. The petition qualifies as a sufficient petition and was signed by the requisite number of qualified signers for a sufficient petition as determined by the Registrar of Voters of Placer County.

This Certificate of Sufficiency is being issued pursuant to Section 56706 of the California Government Code.



Kristina Berry, Executive Officer
Dated: September 12, 2013

Original: Proponents
Cc: Affected agencies



Incorporation Proposal

- Description of Incorporation Proposal
- Initial Fiscal Feasibility Review – recommended
- Service Plan
- Map and Legal Description
- Application and Consulting fees paid for by the proponents



Incorporation Proposal

- Review by staff
- Review by affected agencies
- Preparation of Comprehensive Fiscal Analysis
 - Selection of Consultant
 - Gathering of Financial and Service Level Data
 - Establish a service plan
 - Establish Base Year Costs
 - Calculate Property Tax Transfer
 - Develop Budget Projections

Incorporation Proposal

- Revenue Neutrality discussions
 - Representatives of the county, other affected agencies and the proponents of the proposed incorporation during preparation of the CFA. Role of the Committee is to develop a mitigation agreement.
 - If reached, ratification will be by resolution of the County Board of Supervisors and by letter from proponents. Terms of the agreement will be included as terms and conditions in LAFCO's resolution, if the incorporation is approved.

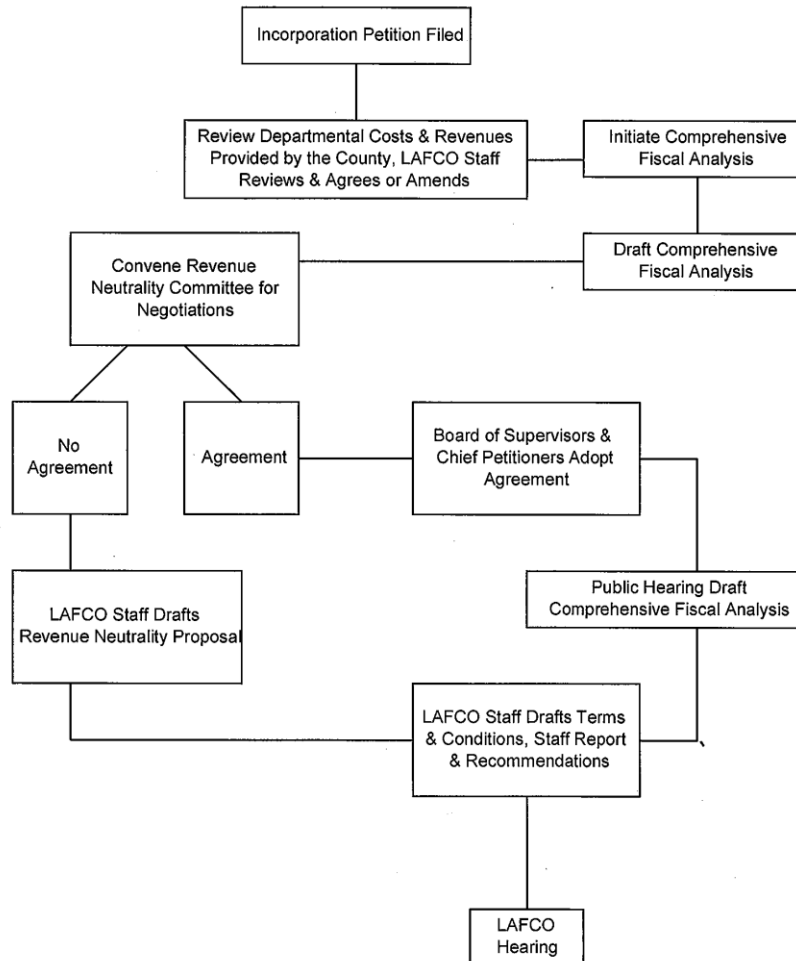


Incorporation Proposal

- If the negotiating parties do not reach agreement, the status of the negotiations should be referred to LAFCO for discussion of outstanding issues at the first available meeting as determined by the Executive Officer.
- If not resolved, it is recommended that the LAFCO staff draft proposed terms and conditions dictating revenue neutrality terms for use in the comprehensive fiscal analysis and for recommendation to LAFCO at its public hearing.

Incorporation Proposal

Revenue Neutrality Process





Incorporation Proposal

- Environmental Determination
 - LAFCO is in the process of hiring an Environmental Consultant to help determine level of review
 - LAFCO will retain a Consultant to prepare required Environmental Documents



Incorporation Proposal

- Executive Officers Report
 - Factors which were considered in the review of the proposal
 - Incorporation Boundaries, may also establish a sphere of influence
 - Plan for Services
 - Comprehensive Fiscal Analysis
 - Terms and Conditions
 - Recommended findings
 - Recommended determinations



Incorporation Proposal

- Terms and Conditions may include:
 - Continuation of Services following incorporation
 - Payments and taxes required by changes in service responsibilities or for revenue neutrality
 - Disposition of money, property and rights of use, such as water or utility capacity rights
 - Disposition of special district responsibilities, district governing boards and employees (if Special District changes were included in proposal, n/a in this proposal)
 - The effective date of Incorporation



Incorporation Proposal

- State Controller Review of Comprehensive Fiscal Analysis
 - Any interested person or agency may request a review of the CFA by the Office of the State Controller. This request must be made within 30 days from the date the Executive Officer provides notice that the Executive Officer's report is complete and available for public review.

Incorporation Proposal

- Commission Hearing and Decision
 - Noticed Hearing
- LAFCO is required to consider the following factors:
 - The population, population density, and potential for growth
 - The need for organized community services, and effect on adequacy of services
 - The effect of the proposal on adjacent areas and local government structure
 - The conformity of the proposal with adopted LAFCO policies and priorities
 - The effect of the proposal on integrity of agricultural lands
 - The definiteness and certainty of the proposed physical boundaries
 - Consistency with county General Plan and specific plans
 - The sphere of influence of any affected local agency
 - The comments of any affected agency
 - The ability of the new city to provide services, including sufficiency of revenues.
 - Timely availability of adequate water supplies
 - The extent to which the proposal helps achieve its allocation of regional housing needs.
 - Comments from land owners
 - Any information relating to existing land used designations.



Incorporation Proposal

- LAFCO may Approve, Conditionally Approve or Deny the proposal
- Incorporation proposals which would result in unincorporated islands and annexation of land within a Farmland Security Zone are prohibited by law.
- If proposal is denied, no similar proposal for incorporation involving the same or substantially the same area shall be initiated for at least one year after the date of adoption of the resolution terminating proceedings. However, the Commission may waive this restriction if found to be detrimental to the public interest.



Incorporation Proposal

- Any person or affected agency may file a written request with LAFCO's Executive Officer requesting reconsideration of any resolution approving incorporation.
- Must specify the change requested and what new or different facts of applicable new law warrant the reconsideration. Request must be filed within 30 days of the adoption of the LAFCO resolution.

Incorporation Process

- Protest Hearing
 - Within 35 days following the adoption of the Commission's resolution of approval and reconsideration period, LAFCO must issue a "Notice of Hearing" scheduling the date for a conducting authority protest hearing on the incorporation.
 - Within 30 days of the conclusion of the hearing, the Commission shall make a finding regarding the value of the written protests and take one of the following actions:
 - Terminate the proceedings if a majority protest exists; or
 - Call an election on the question of Incorporation if there is no majority protest.

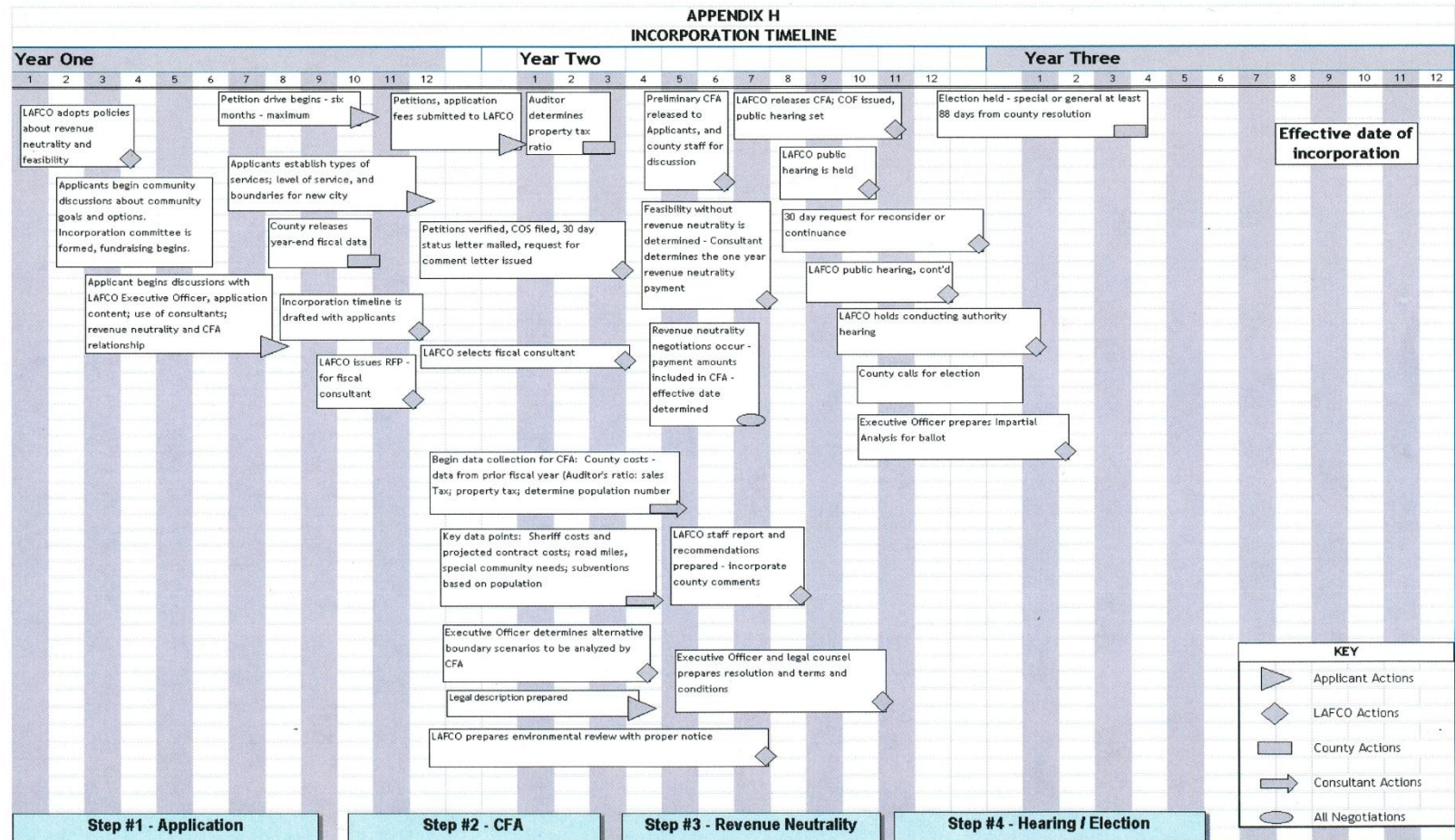
Incorporation Election

- Elections are usually placed on the ballot of the next general election (following prescribed timing requirements).
- A Special Election may be requested, the proponents may be required to pay for the costs of the special election. If the incorporation is successful, the new city will be liable for payment of election costs. In the event the issue fails, the county absorbs the election costs.



Incorporation Election

- LAFCO's Executive Officer must draft an impartial analysis of the incorporation issue for inclusion in the incorporation ballot. The Commission may review the text of the impartial analysis and approve or modify it.
- Following the election, the County Board of Supervisors is required to certify the election results.
- If the incorporation is disapproved by majority vote, the Commission must execute a "Certificate of Termination". No substantially similar proposal for the same territory may be filed within a two year time period.



Placer LAFCO Staff

- Executive Officer – Kristina Berry, AICP (Kris)
- Commission Clerk – Linda Wilkie
- Attorney – Bill Wright
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- <http://www.placer.ca.gov/Departments/lafco.aspx>